

## President's Message

As this edition of Knolls News goes to press we were all gearing up for the long-awaited repaving of our driveway and of the surface parking spots. The KN editors don't have a crystal ball so we don't know if it went smooth as silk or if the project team met with



unexpected bumps. But, we can say certainly that a lot of planning went into the effort and the project team tried to mitigate for problems seen and unforeseen. The project team is planning to write a post-mortem on the endeavor so that the next time this happens the Board will have a lessons-learned document reference. If you have feedback, please submit it to the office—via email or hardcopy note, with the subject line "Paving Feedback" to properly direct your input. Here's to smooth sailing on our wonderful new pavement!

## Board Meeting Highlights

**Anthony Marrelli, Associate Vice President, Morgan Stanley**, attended the meeting and provided an overview of services and a look at future needs. AKW has invested a total value of \$1,013,543 with Morgan Stanley; all CDs within a five-year ladder to be available for Reserve distributions. One CD is maturing in September. Mr. Marrelli suggested a good portion of future funds be kept in bonds/fixed-income vehicles that have a much greater income potential than normal CDs. The Board and the Attendees were given opportunity for Q&A of various components and general suggestions. Mr. Marrelli will forward to Sharon Grant, Treasurer, a draft Investment Policy Statement for the Board to use in creating one for ourselves, giving guidance and direction to future Boards.

**Quade Whitmire, President**, discussed in much detail how delinquent payment by AKW owners are being treated with the authorities given in the Financial Amendment to our By-Laws. He discussed the 30- 60- and 90-day letters issued to owners in arrears, with the goal of bringing accounts current. These actions, necessarily precipitate interest and attorney's fees which are added to the accounts. He also stated that are times when there is no recourse to seize bank funds or income garnishment when the owner has left town with their unit in foreclosure. In such situations, large sums may — to our detriment — be "written off," an accounting exercise which moves an account from delinquent to our attorney's collection efforts. The accounts



written off between 2015 and through May 2017 totaled \$81,811. Liens placed by AKW on the former owner remain active for 10 years with the attorney periodically testing for any funds that could be seized. Such a lien follows the owner and impacts their future ability to purchase another residence and seriously impacts their credit. Mr. Whitmire stressed that the detailed explanation is to make Co-Owners aware the Board's approach and how it will proceed with delinquencies, and with the intent to be as transparent as possible in dealing with this troubling problem. Delinquencies are discussed in some detail in two articles in this issue of **Knolls News**.

West side balconies are scheduled for final inspection on August 15. East side balconies with issues reported by the owner and still under warranty at the time will be included.

**Treasurer Sharon Grant** reported June 2017 Financials as follows:

Total cash and investments	\$1,479,377
Year-to-date Income	938,733
Year-to-date Expenses	852,097
Year-to-date Net Income	\$ 86,636

Delinquent residential accounts totaled \$82,963, or 4.8%. Total liabilities are \$135,379. The Balance Sheet reflects the Association's Total Reserves accrued at \$1,343,998. The Association is fully funded.

Ms. Grant further explained that delinquencies were \$81,600 in May. For June that amount was \$82,900, or viewed another way, \$436 for each unit owner. Some progress is being made with an early-July payment reducing the total delinquencies to \$78,460. In June, the Board voted on one foreclosure, three accounts are accelerated to collect dues to the end of the year, one will have wage garnishment, and one account is on a repayment plan for three years as of July 9<sup>th</sup>. Mr. Whitmire requested these statistics be provided at future Board meetings.

Ms. Grant announced that at the next Super Committee meeting, August 22, she will provide a 6-month snapshot of AKW's actual costs against budget and a summary of reserve expenditures.

**Building & Grounds chair Kay Wilmoth** reported for Landscaping that the dead pine tree on Edsall Road had been removed. Budget estimates for 2018 are being formulated. She is also encouraging Volunteers to join the Committee and suggest future plantings. Additionally:

- Filters in the chiller have been changed by Densel
- The apparent leak in the 18<sup>th</sup> floor ceiling may be from condensation but will require the HVAC be shut down for a day; this will be postponed until cooler weather
- A simple wire connection has solved the hallway HVAC issue
- Densel has been asked to review the improvements suggested in January with new estimates and projected costs for the 2018 Budget. The cooling tower may need to be replaced
- A Comcast modem is needed to complete installation of the Johnson Controls approved by the Board at the last meeting
- Bird problems are reported in a number of places. The Committee is working on and needs guidance from legal counsel on options

Post-September, the **Pool and Décor committees** will be resurrected and volunteers are encouraged to participate. Winkler Pools replaced the *spa pump* last month, but All Plumbing is working to get the *spa water heater* problem solved.

**Communication Committee chair Quade Whitmire** will undertake an effort to refine who will receive notices and other documents through email and who needs to have door-delivered copies. This will reduce the cost of copying and staff time spent in deliveries and eliminate paper piles at unit doors.



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**Fitness Improvement Committee chair Bill Munson** reported that we are awaiting the final insurance company's certificate that coverage is in place for the new equipment. Once in hand, delivery is expected to be 6-8 weeks. The special doors to the shower areas will be installed within the next two weeks.

The final two suggested By-Laws amendments (Maintenance and Enforcement) have been drafted by our attorney, announced **Committee chair Becky Martin**. Also needing action is a **third** amendment to cover changing to "unisex" fitness facilities in compliance with Federal law. A meeting of the Committee has been scheduled for August 14.

The Board voted to ratify or approve:

- \$3,864 to Densel to replace the oil filter for the chillers
- \$4,816.93 to SeeView Security to add camera equipment on the roof for safety and security
- Not to exceed \$5,000 to FreeState Electrical Service Company for repair of several light poles, rewiring and ballast changes
- \$900 to FreeState to replace lights in the A and C garage stairways LED wall packs

The Board also voted in Executive Session to **move** \$18,700 from **Delinquent** to **Collection** status against the estate of the former owner.

#### From the June Board Meeting:

**Doug White** of **TDL Engineers** gave a brief presentation of plans for repairing the A and B garage and deck, for the expansion joints proposal. The Board accepted the bid of **C.A. Lindman, Inc.**, for this work, at a price of \$26,310.

**Treasurer Sharon Grant** reported May 2017 financials as follows:

Total Cash & Investments	\$1,392,643
Year-to-Date Income	782,420
Year-to-Date Expenses	722,328
Year-to-Date Net Income	\$ 67,271

**Landscape Committee chair Dail Claridge** announced that after 27 years of leading this group, she was retiring and turning over the reins to **Kay Wilmoth**.

The Board approved the **Resident Service Program**, which replaces and expands services from the old In-Unit Service Program. This document has been added to the Resident Portion of the AKW web site and will be included with the next update to the Handbook. Paper copies may be obtained through the Office.

The Board accepted the proposals to:

- \$13,387.50 for Atlantic Duct Cleaning to clean the HVAC air duct system from the roof to the first floor
- \$66,407 to Pro-Paving to mill, repair and repave all of the driveway and surface parking areas
- \$2,300 to Winkler Pools, to replace the pump on the spa

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## About Delinquencies



Over the past several months, the Board has been working vigorously to address delinquencies. This issue has been discussed thoroughly during Open Session in monthly Board of Directors meetings to promote maximum transparency. The aim of these efforts is to shore-up the financial health of the Association as well as impress upon delinquent owners the seriousness of the issue to bring them current on their accounts. As of June 30, 2017, the Association's delinquency rate was 4.6%, about \$82,900, which comes at a real cost of about \$436 per unit. You may recall that your condo fees increased 3% in January 2016; the delinquency rate by December 2016 had risen to 6.5%, which means that your fee increase wasn't even enough to keep pace with delinquencies. In 2017 the assessment increase was set at 2.5% —with additional fees

assessed for parking spaces; unfortunately, this increase is still not enough to keep pace with delinquencies. Each dollar of that increase went to address the fact that some owners did not pay their dues in full. If we are to keep down future increases in dues we must bring delinquencies under control.

The other prong of the issue is that the Association is sometimes forced to write-off debts that are deemed uncollectable. This means that, although it continues collection efforts, the Association recognizes that it does not expect to collect those funds. For recordkeeping purposes, this amount is accounted for separately from its delinquency rate. In its January meeting this year the Board voted—with a lot of debate and reluctance—to write off \$58,638.21, across multiple delinquent accounts of former owners. The thorough and vigorous collections efforts undertaken since are meant to keep owners from becoming so far behind that catching up may be beyond their reach. The Association's goal is to convince delinquent owners to either pay in-full or to enter—and stick to—a repayment plan.

Without context, the measures the Board is taking can seem needlessly harsh to some; others would argue for more stringent efforts. It's up to your elected Directors to strike the correct balance; the goal is to return delinquent owners' accounts to being current while protecting everyone's investment. Everyone should expect and require that the Board be fair, even-handed, and transparent on this matter.

*Please see companion information outlining delinquency benchmarks on page 5.*

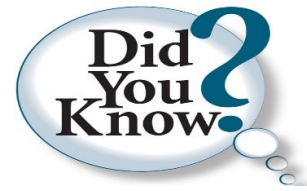
### **DID YOU KNOW .... Homeowners Insurance**



You will recall, from the June issue, of the (full-page) reminder about leaks from a toilet and possible deterioration of the wax ring. The main point of that page was *"If a leak originates in your unit, any resulting damages to other units – and the building – are fully and completely your responsibility."* Our Master Deed provides that the Council will maintain insurance on the building (see Handbook pg. 46). BUT, **"Owners of individual units shall obtain additional insurance (HO-6)"** that will cover repairs and renovation from water leaks or fires or other calamities. The Board can also ask for proof that you have this insurance, and would include Renters Insurance for those units leased by an Owner. *If you don't have this required insurance, any kind of damage assessment can bankrupt you and could certainly lead to losing your home.* The premium is usually only a few hundred dollars – worth it to secure you financially!

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## Resident Service Program (RSP)



Several years ago the Board implemented the In-Unit Service Program (IUSP), *the aim of which is to save Residents the cost and aggravation of having an outside contractor to come in to do small projects and odd-jobs.* This Policy, now Appendix D in the Handbook, has been revised and is now called the “**Resident Service Program**” (RSP). If we as Owners receive the service at a lower price than we would otherwise pay and that money goes to the Association as income, everybody wins! The main problem with the RSP is that most of us aren’t aware that it exists.

The Resident Service Program has been added to the Resident tab of the AKW web site. (*For those who need a paper copy of the updated Policy, ask for a printout in the Office, until we can update the Handbook.*) What’s the point of a great service program if nobody is aware it exists? Please take a moment to review the program and consider if you have need of the services it offers.

### ***And please note some important guidelines –***

- Any service request must be made directly to the office
- Requests directly to the Maintenance Staff are *strictly prohibited*
- Payment for the services ***must be made by check, to the Office***, as outlined in the program’s rules
- Payment is NOT to be made to the Maintenance Staff.

It’s important to note what services are not offered by the program, including HVAC servicing or repairs (other than changing filters semi-annually and springtime anti-mold pellet that the original units get.)

If you have feedback about this Resident Service Program, please share it with the Office or raise it during an Open Forum at a Board Meeting.

## How the Association Addresses Delinquencies



The Association’s collection efforts are meant to bring owners current. Delinquent owners can expect specific actions:

- on the 16th of the month, a late fee of 10% is assessed on the delinquent amount
- at 30 days late CMC sends a letter to the delinquent owner advising them of their delinquency and warns of future steps
- at 60 days late the account is handed over to the Association’s legal counsel. At this point the late owner is assessed fees associated with the effort to collect from them. Also at 60 days the Board will review the account and decide whether to accelerate the owner’s dues through the end of the calendar year and/or seek wage/account garnishment, conveying the seriousness of the matter
- at 90 days late the Board will ask the delinquent owner to attend a hearing to discuss revocation-of-privileges, including the pool, gym, in-unit-service program, and visitor parking. The Board may also direct legal counsel to pursue foreclosure on the owner.

If you are delinquent, please bring your account current. If you are more than 60 days late, please reach out to the Association attorney as soon as possible to discuss a repayment plan to bring your account current. The Association wants to work with you and make your co-owners whole.

## Have YOU been doing YOUR part to reduce expenses?

(continued thanks to Terri Hansen)



*Just Wondering...*

Running the Association is a business, where the Owner/Shareholders watch the 'bottom line.' The Board is responsible for a million-dollar budget, and works to adjust for fixed and variable costs. Fixed costs are determined annually and include insurance, taxes, annual management and other contracts, landscape and pool services. Variable costs are determined throughout the year and change depending on usage (for example, utilities) and required repair or replacement of worn-out or broken equipment. Some ways to help with these variable costs would include:

- ◆ Replace filters in HVACs at least twice a year. The new HVACs require purchasing special filters. Installation for new or original-type filters is free.
- ◆ Use ceiling fans to circulate cool air.
- ◆ On south and west-facing windows, keep blinds/drapes drawn against the sun.
- ◆ Be mindful of leaky faucets. *One drip can waste up to 48 gallons a week!*
- ◆ Check for a toilet leak by putting a few drops of food coloring in the tank. If the color appears within 30 minutes, a leaking flapper should be repaired/replaced.
- ◆ Install a low-flow showerhead; it will save 50% of water usage.
- ◆ Run your dishwasher at night when energy costs are lower.
- ◆ Clean your dryer's lint filter after every load, to maintain dryer efficiency – which also means using less electricity, reducing our utility bill!



*Bill Munson*

The fitness center finalized the necessary insurance arrangements required to complete the lease. Matters were complicated a bit by discovery that the legal firm engaged by AKW also represents the parent company of the equipment vendor and had to recuse themselves from providing guidance on some initially disconcerting clauses in the leasing agreement. These have been worked out, and the equipment should be installed 4-5 weeks from lease execution. Meanwhile, the contractor installing the doors for the sauna areas reports the doors are on still order with the vendor and installation will be scheduled when a delivery date is known. The Fitness Center Improvement Committee is on hiatus until the delivery schedule clarifies, after which we will publish the schedule for the remaining steps in the upgrade (e.g., new signage, installation of the TVs, trash cans, and equipment wipes, etc.)

Progress to report: Kudos to our BuildingLink team! BuildingLink is now configured to accept maintenance requests for the sauna and fitness center areas. If you see a maintenance issue that needs attention in these areas, the fastest and surest way to get action is now to open a maintenance request in BuildingLink. As always, you can also stop by the office and let Kim or Keltisha know, but using BuildingLink will save your having to go through office management to get to the people who can address the issue.

## Water Shutoff “rules” .....

On Tues-Wed-Thurs of each week, Tier numbers (*as noted in the Calendar at akwcondo.com*) indicate when water may routinely be drained for plumbing work.

If you need something done, arrange it for “your day.” If it’s NOT “your day” or in an emergency, the charge (check payable to AKW) is \$50.

OF NOTE ...

- The Office has to give 4 business days’ notice to Tier Residents. In addition,
- If a Resident requests shutoff on the scheduled “routine” day, there is no charge.
- If a Resident requests shutoff on a different day, payment of **\$50** is required when the day is confirmed, because the same 4-day notice must be distributed to the Tier.
- If no one requests it, the Tier is not shut down.
- All shutoffs come after 9am and are routinely finished before 4pm.

Shutoffs are generally not done on Mondays or Fridays. Emergency shutoffs will require a \$50 payment to AKW. *Advanced planning required all around!*

AUGUST - WATER SHUT-OFF				
Mon	Tue	Wed	Thu	Fri
	1 Tier 1	2 Tier 2	3 Tier 3	4
7	8 Tier 4	9 Tier 5	10 Tier 6	11
14	15 Tier 7	16 Tier 8	17 Tier 9	18
21	22 Tier 10	23 Tier 11	24 Tier 12	25
28	29	30	31	

## Quiet, please!

We are fortunate to live in a community where unit-to-unit sounds are relatively minimum. We must, however, be mindful that music, conversations, and pet noises do travel through the doors – both into the hall and from the hall into other units. Residents engaging in hall conversations may not realize that their (sometimes surprisingly frank) conversations can be easily heard by neighbors. Likewise, allowing pets and children to burn off energy in the hallways most certainly will disturb your neighbor’s quiet enjoyment of their unit.

*Shh...*

AKW’s governing documents and Handbook (p. 27) both address this issue:

- ◆ Occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions and amplifier that may disturb other occupants.
- ◆ Roughhousing, running, jumping, shouting and throwing balls or other objects are prohibited in common areas including the lobby, billiard room community room and hallways.

This also extends to pets that yearn for your return and whine, bark or meow their displeasure. Look to your veterinarian or online for suggestions on how to keep your pets content and occupied while you’re away.

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## Parking policy in a nutshell ... from the Handbook

YOU: -- park in the "R" spaces at the canopy, for 30 minutes *maximum*  
Park in Visitor spot, M-F, 7am to 6pm **only**, excluding holidays  
**MUST SIGN IN** at the lobby desk  
You **MAY** get a violation alert *one-time-only* 5 mins before the tow is called

VISITORS: -- Overnight parking permitted 10 days per calendar month  
**MUST SIGN IN** at the lobby desk  
Overnight parkers have until noon the following day to check out OR  
re-sign for the next day  
M-F, Residents may request hang-tags for a visitor to park for up to a *maximum*  
of 42 days annually (signing in is not required)

It's the Resident's responsibility to ensure that the Office has your correct license tag and phone (how you will be identified and notified). *Forewarned is forearmed: the towing company charges a very high fee and it's "cash only" to redeem your vehicle!!*

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### BE SURE TO MARK YOUR CALENDAR ...

**The Alexandria Knolls West Condominium's Council of Co-Owners Annual Meeting will be held on Tuesday, September 26, 2017. Registration and Proxy verifications will begin at 6:30pm, with the Annual Meeting convening at 7:00pm in the Community Room. Please plan on attending so that we are able to achieve our quorum. Four new Board members will be elected during this meeting.**

## SEE SOMETHING, SAY SOMETHING

This security message applies to AKW as well as elsewhere! If you see someone attempting to gain access to the building without authorization, or trying to "tag onto" your entry into the building, notify the Office (or Security) immediately. If neither is available and you have reason for concern, consider calling the police.



We want to keep our building safe and secure! Often we don't recognize new folks or others not seen regularly. **ASK** is they live here (*they should have their key fob out!!*) and then ask them to use the vestibule phone for entry. (Yes, we know that's hard to do.)



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## Pet Registration

The City of Alexandria requires dogs and cats to be registered and licensed, meaning that all vaccines must be up-to-date. AKW requires this, too, asking that you report your pet(s) (maximum of two, remember!) residing in the building. Please stop by the Office and have the proper notations made. *Thank you!* (See the Handbook, pg 22.)



## **NEED A NOTARY?**

Sharon Grant is a Virginia Notary and happy to offer services to AKW residents by appointment at no charge. Email Sharon@akwcondo.com.

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## **KNOLLS KNITTERS**

The Knolls Knitters continue to meet on the first and third Sunday of every month, at 2 p.m. in the Party Room. Since the last Knolls News, Fanny Felipo-Morales has joined Pam McCaffrey, Mary McClelland, Fay Menacker and Barbara Righter as Knitters. Fanny completed a lovely baby hat and is working on her next project. Also, since the last issue, we have delivered 23 baby hats to Alexandria Hospital. The Volunteer Coordinator said we were "amazing" and thanked us profusely.

We have also completed one large dog blanket for the Vola Lawson Shelter and a half size version of the large Red Cross Blanket (see November *Knolls News*). Another baby blanket and a smaller Red Cross blanket are in process.

All knitters and crocheters and wanna-be knitters and crocheters are welcome to join us. Beginners will receive instructions and support. The Knitters will be happy to lend needles and supply yarn to all comers.



*Your Volunteering IS a gift to our Community!*

We are (joyfully!) accepting resumes for candidates for election to our Board of Directors for the 2017-18 year. If we haven't received yours yet, please don't delay—they go out very soon with announcement of our Annual Meeting. Submit to Secretary Wendy Shelley by dropping in at the Office and placing in her Board folder. *Your Association needs your skills, your experience, and your enthusiasm! Sign up today!*

*Fay Menacker*

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## IMPORTANT DATES IN AUGUST

- ◆ **Knolls Knitters** Sun, 8/6 and Sun, 8/20, 2 PM
- ◆ **By-Laws Committee** Mon, 8/14
- ◆ **Super Committee** Tue, 8/22  
(Building & Grounds, Budget & Finance, Safety & Security)
- ◆ **Board of Directors Meeting** Tue, 8/29

**Unless indicated otherwise, meetings begin at 7:00 PM in the Community Room**

The "Board Book" (containing what's on the agenda) is available in the Office for Residents' perusal on the Friday before the Board meeting.

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## IMPORTANT PHONE NUMBERS

<b>Guard Mobile</b>	<b>571-565-5591</b>
AKW Office	703-751-7541
Email: <a href="mailto:office@akwcondo.com">office@akwcondo.com</a>	
AKW Fax	703-751-2136
A-1 Towing	703-971-2600
CMC Emergency	301-446-2635
Police non-emergency	703-746-4444
Police emergency	911

### **Board of Directors**

Quade Whitmire, President (Historian, Communications)	quade@akwcondo.com
Becky Martin, Vice President (By-Laws, Pool)	becky@akwcondo.com
Wendy Shelley, Secretary	wendy@akwcondo.com
Sharon Grant, Treasurer (Budget & Finance)	sharon@akwcondo.com
Kay Wilmoth (Building & Grounds)	kay@akwcondo.com
Bill Munson (Fitness Facilities)	bill@akwcondo.com
Deborah Miller	deborah@akwcondo.com

See the Knolls News in color at [www.akwcondo.com](http://www.akwcondo.com)